

INTERNSHIP REPORT
ON
BAJAJ CAPITAL LTD MANGALORE

Submitted by

SURAKSHA

4AL21BA095

Submitted to



VISVESVARAYA TECHNOLOGICAL UNIVERSITY BELAGAVI

In partial fulfilment of the requirements for the award of the degree of

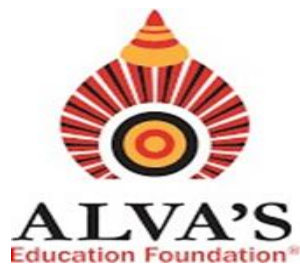
MASTER OF BUSINESS ADMINISTRATION

Under the guidance of

INTERNAL GUIDE

MRS. PRIYA SEQUIRA

ASSISTANT PROFESSOR



ALVA'S INSTITUTE OF ENGINEERING & TECHNOLOGY MIJAR, MOODBIDRI



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Bajaj Capital Limited
5th Floor, Bajaj House 97,
Nehru Place, New Delhi - 019, India
Tel: 41693000, 39881010
Fax: (011) 26476638, 66608888
email: info@bajajcapital.com
www.bajajcapital.com

Date: 19-11-2022

Certificate

This is to certify that **Ms. Suraksha** bearing USN: **4AL21BA095**, Student of **Alva's Institute of Engineering and Technology Mijar Moodabidre**, has successfully completed her internship in our organisation "**Bajaj Capital Ltd**" towards the partial fulfilment of the requirements for the course of **Master of Business Administration (MBA)** in our organisation for a period of 19/10/2022 to 19/11/2022.

We have found her to be meticulous, regular, and hardworking. We wish her success in her future endeavours.



(JAYARAJ K)

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Approved by AICTE, New Delhi & Recognised by Government of Karnataka

Accredited by NBA (CSE & ECE)

DATE: 30/01/2023

CERTIFICATE

This is to certify that **SURAKSHA** bearing USN **4AL21BA095**, is a bonafide student of Master of Business Administration program of the Institute (2021-23) affiliated to Visvesvaraya Technological University, Belagavi.

The Internship report on "**BAJAJ CAPITAL LTD., MANGALORE**" is prepared by her under the guidance of **Mrs. Priya Sequeira**, HOD, Sr. Assistant Professor, PG Department of Business Administration in partial fulfillment of the requirements for the award of the degree of Master of Business Administration, Visvesvaraya Technological University, Belagavi, Karnataka.

Mrs. Priya Sequeira
Internal Guide

DEAN

Dept. of Business Administration
Alva's Institute of Engg. & Technology
MIJAR - 574 225

Dr. Peter Fernandes
Principal

Alva's Institute of Engg. & Technology
Mijar, MOODBIDRI - 574 225, D.K

Shobhavana Campus, Mijar, Moodbidri - 574225, Mangalore, Karnataka, India

☎ 08258-262724 (O), 262725 (P)

✉ principalaiet08@gmail.com

🌐 www.aiet.org

DECLARATION

I SURAKSHA, hereby declare that the Internship report entitled “An Organization Study” with reference to “Bajaj Capital Limited Mangalore” prepared under the guidance of Mrs. PRIYA SEQUEIRA, HOD, Sr. Assistant Professor, PG Department of Business Administration, Alva’s Institute of Engineering and Technology, Mijar and external assistance by Mr. JAYARAJ K, branch Manager, Bajaj Capital Ltd.

I also declare that this internship work is towards the partial fulfillment of the university regulations for the award of degree of Master of Business Administration by Visvesvaraya Technological University, Belagavi.

I have undergone a project for a period of 4 weeks. I further declare that this project is based on the original study undertaken by me and has not been submitted for the award of degree from any other University.

Date:

Place: Mijar, Moodbidri

SURAKSHA

ACKNOWLEDGEMENT

The satisfaction that accompanies the successful completion of any work would be incomplete without thanking the person who made it perfect with their constant guidance and encouragement.

I express my sincere gratitude to Dr. Peter Fernandes, The Principal of AIET, Mijar for his valuable and inspiring guidance in this endeavor. I would like to express my gratitude to Mrs. Priya Sequeira, HOD, sr. Assistant Professor, PG department of Business Administration AIET, Mijar for her support throughout my project work.

A special note of gratitude goes to the organization Bajaj Capital Ltd Mangalore for providing me with an opportunity to undergo the project study.

I am gratefully indebted to my external guide Mr. JAYARAJ K, for encouraging me and for his constant support throughout the course of the project work and helping me completing it successfully.

I am thankful to my parents and friends for their valuable guidance, support and help during my project. Any accomplishment requires the efforts of many people. I am indebted to the management and the staff of Bajaj Capital Ltd for extending their support and co-operation in collecting data for my project report.

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EXECUTIVE SUMMARY

This study is conducted on overall activities of the “BAJAJ CAPITAL LIMITED”. This report provides general information about the financial service industry. The study was conducted for the period of 4 weeks. The main objective of the company is to actively participate in the growth of all segments like economy, customer satisfaction, sales maximization, Service sector, customer financial planning etc, with a mission to achieve sustained growth of business and profitability and fulfilling socio-economic obligations.

The Bajaj Capital is a financial services market consisting of sales of financial or money- related services by entities that are engaged in financial services-related activities such as lending, investment management, insurance, brokerages, payments, and fund transfer services.

Bajaj Capital is one of India's premier investment advisory and financial planning companies. As Bajaj Capital one of India's largest distributors of financial products, they offer a wide range of investment products. They have more than 220 branches and offer personalized investment advisory and financial planning service to individual investors, corporate houses, institutional investors and high net worth clients.

Financial statements of the company show how fundamentally strong, balanced a company is and growth of the organization in the previous years. The financial growth of the company strongly believes in the development of employees through training programmes and this report shows a performance of these things.

The report will give a brief description about company background, work flow of company and financial industry profile. The study on work flow of the company and practical application of the model.

CHAPTER-1

INTRODUCTION ABOUT THE ORGANISATION & INDUSTRY

1.1 INDUSTRY PROFILE: Global Scenario

The financial services market consists of sales of financial or money-related services by entities (organizations, sole traders, and partnerships) that are engaged in financial services-related activities such as lending, investment management, insurance, brokerages, payments, and fund transfer services. The finance services industry is categorized based on the business models of the firms present in the industry, and most firms offer multiple services. Revenues include fees, interest payments, commissions, or transaction charges.

The global financial services market grew from \$23,319.52 billion in 2021 to \$25,588.3 billion in 2022 at a compound annual growth rate (CAGR) of 9.7%. The Russia-Ukraine war disrupted the chances of global economic recovery from the COVID-19 pandemic, at least in the short term. The war between these two countries has led to economic sanctions on multiple countries, surge in commodity prices, and supply chain disruptions, affecting many markets across the globe. The financial services market is expected to grow to \$33,358.77 billion in 2026 at a CAGR of 6.9%. The global payments industry has witnessed a rapid increase in the adoption of EMV technology. Banks and financial institutions are adopting digitization to modernize their commercial lending business. This move is mainly a result of increased competition among banks and growing demand for a simplified and quick commercial lending process. Digitization leads to improved customer satisfaction in obtaining a commercial loan, which can otherwise be a complex and slow process. It also enables banks to target new customer categories and offer customer-centric solutions, which leads to improved efficiencies in the commercial lending business. Some of the banks that have incorporated digitization into lending are Commonwealth Bank of Australia, Hana Bank, Fidor Bank.

The global financial services market is segmented -

1. By Type: Lending and Payments, Insurance, Reinsurance and Insurance Brokerage, Investments, Foreign Exchange Services

2. By Size Of Business: Small and Medium Business, Large Business
3. By End User: Individuals, Corporates, Government, Investment Institution
Subsegments Covered: Lending, Cards & Payments, Insurance, Insurance Brokers & Agents, Reinsurance, Wealth Management, Securities Brokerage and Stock Exchange Services, Investment Banking.

1.2 Indian Scenario

India has a diversified financial sector undergoing rapid expansion, both in terms of strong growth of existing financial services firms and new entities entering the market. The sector comprises commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. The banking regulator has allowed new entities such as payment banks to be created recently, thereby adding to the type of entities operating in the sector. However, the financial sector in India is predominantly a banking sector with commercial banks accounting for more than 64% of the total assets held by the financial system. The Government of India has introduced several reforms to liberalize, regulate and enhance this industry. The Government and Reserve Bank of India (RBI) have taken various measures to facilitate easy access to finance for Micro, Small and Medium Enterprises (MSMEs). These measures include launching Credit Guarantee Fund Scheme for MSMEs, issuing guidelines to banks regarding collateral requirements and setting up a Micro Units Development and Refinance Agency (MUDRA). With a combined push by the Government and private sector, India is undoubtedly one of the world's most vibrant capital markets.

1.3 Market Size

As of July 2022, AUM managed by the mutual fund industry stood at Rs. 37.75 trillion (US\$ 474.87 billion), and the total number of accounts stood at 135.6 million. Inflow in India's mutual fund schemes via systematic investment plan (SIP) stood at Rs. 48,565 crore (US\$ 6.10 billion). Equity mutual funds registered a net inflow of Rs. 22.16 trillion (US\$ 294.15 billion) by end of December 2021.

Another crucial component of India's financial industry is the insurance industry. The insurance industry has been expanding at a fast pace. The total first-year premium of life insurance companies reached US\$ 40.1 billion in FY22. In FY23 (until May 2022) non-life insurance sector premiums reached at Rs. 36,680.69 crore (US\$ 4.68 billion).

Furthermore, India's leading bourse, Bombay Stock Exchange (BSE), will set up a joint venture with Ebix Inc to build a robust insurance distribution network in the country through a new distribution exchange platform. In FY22, US\$ 14.55 billion was raised across 127 initial public offerings (IPOs). The number of companies listed on the NSE increased from 135 in 1995 to 2,012 by FY22. According to the statistics by the Futures Industry Association (FIA), a derivatives trade association, the National Stock Exchange of India Ltd. (NSE) emerged as the world's largest derivatives exchange in 2020 in terms of the number of contracts traded. NSE was ranked 4th worldwide in cash equities by number of trades as per the statistics maintained by the World Federation of Exchanges (WFE) for CY2020

1.4 GST Contribution

The services sector is the largest sector of India. Gross Value Added (GVA) at current prices for the services sector is estimated at 96.54 lakh crore INR in 2020-21. The services sector accounts for 53.89% of India's GVA of 179.15 lakh crore Indian rupees. With GVA of Rs. 46.44 lakh crore, the industry sector contributes 25.92%. Agriculture and allied sectors share 20.19%.

1.5 Future of Financial Service Industry

India's financial services industry has experienced huge growth in the past few years. This momentum is expected to continue. India's private wealth management Industry shows huge potential. India is expected to have 6.11 lakh HNWI's by 2025. This will indeed lead India to be the fourth largest private wealth market globally by 2028. India's insurance market is also expected to reach US\$ 250 billion by 2025. This will further offer India an opportunity of US\$ 78 billion of additional life insurance premiums from 2020-30.

India is today one of the most vibrant global economies on the back of robust banking and insurance sectors. The relaxation of foreign investment rules has received a positive response from the insurance sector, with many companies announcing plans to increase their stakes in joint ventures with Indian companies. Over the coming quarters, there could be a series of joint venture deals between global insurance giants and local players. The Association of Mutual Funds in India (AMFI) is targeting a nearly five- fold growth in AUM to Rs. 95 lakh crore (US\$ 1.47 trillion) and more than three times growth in investor accounts to 130 million by 2025.

India's Fintech space is expected to further fuel this growth in various segments. India's mobile wallet industry is estimated to grow at a Compound Annual Growth Rate (CAGR) of 150% to reach US\$ 4.4 billion by 2022, while mobile wallet transactions will touch Rs. 32 trillion (USD\$ 492.6 billion) during the same period. According to Goldman Sachs, investors have been pouring money into India's stock market, which is likely to reach >US\$ 5 trillion, surpassing the UK, and become the fifth-largest stock market worldwide by 2024.

CHAPTER-2

ORGANISATION PROFILE

2.1 Company Background

Bajaj Capital Limited is a non-govt company, incorporated on 19 February 1965. It is classified as a public limited company and is located in New Delhi. It operates as an investment management company. The company offers wealth management, tax savings, mutual funds, bonds, fixed deposits, pension system, depository, and financial advisory services. Bajaj capital serves customers in India. It is one of the leading management and investment on different mutual funds, general insurance, fixed deposits etc.... Their relationship manager team is very dedicated to their work and advisory. Bajaj capital also has a wide range of products and services for corporate, high net worth individuals, and NRI's all under one roof. Their relationship manager team is very dedicated to their work and advisory. K.K Bajaj is M.A (English) and LLB and is the Founder Chairman and Chief Mentor of Bajaj Capital Ltd. He manifested his vision of introducing wealth management and financial services in India 58 years ago and established Bajaj Capital Ltd in 1964.

Mr. Rajiv Bajaj is the Chairman and Managing Director, and Mr. Sanjiv Bajaj is the joint Chairman and Managing Director of Bajaj Capital. They both took over the reins from their father shri. K.K Bajaj, Founder of the company has scaled the business to cover 300 offices in India, with 4.1 million clients.

Bajaj Capital believes in dreaming big. Dreaming inspires us to excel. They ignite hope and kindle in us the passion to stretch our limits. Bajaj Capital also believes that nothing can or should stop us from realizing our dreams and financial constraints should be the last thing to stop anyone. For over four decades, Bajaj Capital has been helping people realize their aspirations by helping them make their wealth, and plan their financial lives. Today, Bajaj Capital is one of the largest planning and investment advisory companies in India, with a strong presence all over the country.

Bajaj Capital takes pride in serving our clients as well as both individual and institutional and is known for our strong professionalism. Bajaj Capital offer a comprehensive range of services including financial planning and investment advice, and the gamut of financial instruments and investment products of almost all major companies, both public and private. Bajaj Capital is also a SEBI-approved category I Merchant Banker. Bajaj Capital raises resources for over 1000 top institute and corporate houses every year, and offers specialized services to Non-Resident India (NRIs) and high net worth clients.

They have a wealth management service group called, which is specialized in providing

world class exclusive service to clients, both individual and institutional. Hence Bajaj capital is the most preferred company by the investor, for the best service and the growth of financial goals.

Board of Directors:

1. Chander Prakash Bhatia
2. Anil Kumar Chopra
3. Rajiv Bajaj
4. Sanjiv Bajaj
5. Anupam Prakash
6. Peter Alexander Smyth
7. Rajesh Pelan
8. Hemanth Kiran Tanna
9. Mark Derrick Collier
10. Amita Jain

2.2 Nature of Business

This company gives all kinds of services such as Demat account, mutual fund, pension plan and insurance plans such as health insurance, and other kinds of insurance plans such vehicle insurance, property insurance, building insurance etc.

This company is led by Mr. Jayaraj K the business head who manages the whole team of Mangalore and he takes care of all the operations that happen in the city. They give guidance as per the requirement and they give recommendations to their investors as per the fluctuations in the stock market.

Demat account facilities provide the investor to trade in the stock market. They can buy and sell stock as per their desired quantity at a desired price. These transactions take place both in NSE and BSE, all transactions take place electronically so that there is accuracy and efficiency in the transactions.

By doing these transactions the brokerage firm generates a small amount of revenue in the form of commission. A trader has to pay brokerage at the time of purchase as well as the sale of these shares.

Bajaj capital deals with mutual funds of various companies such as HDFC, Sundaram, Kotak, ICICI, UTI etc. they deal with funds of different sectors such as infrastructure, banking, automobile etc. When people buy these mutual funds, they usually invest for the

long term so that they have good capital gains and a high rate of returns on their

investment. Bajaj capital helps people in choosing the best performing fund and the best sector in which they can invest and get maximum returns over a period of time.

Bajaj capital also does SIPs for the new investors in the stock market. Here what happens is, investors buy mutual funds on a monthly basis on a particular day for a certain period of time. A SIP means Systematic Investment Planning, this is a process where a fixed sum of money is invested on a regular basis for a period of 25 to 30 years and the person who invests gets a high rate of returns as he gets a Lump sum of money at the time of maturity. The other service provided is insurance where and other kinds of insurance packages are available for the customers. They help in taking the right health package policy as per the age, health condition, and other norms of the insurance policy.

Pension plans are provided at Bajaj capital where a person receives a fixed amount as pension on every month end or beginning of a month. per the pension expected by the investor they recommend schemes that are not very risky and thus give a stable income to senior citizens at his old age.

2.3 Vision, Mission, Quality Policy

Vision:

India's most admired and recommended wealth creation and protection brand. Bajaj Capital vision is to be the most preferred Investment Services Company in India by providing clients with informed choice of its lasting value, protect and grow wealth for them, to make their tomorrow better than today.

Mission:

Bajaj capital aims to be the most useful, reliable and efficient provider of financial services. It is our continuous endeavor to be a trustworthy partner to our clients, helping them protect and grow their wealth, and achieve their life goals.

Providing need-based solutions at the right value, gaining lifetime client relationships through a happy team and services excellence.

Quality Policy:

Mr. KK Bajaj was the first chairman and the founder of Bajaj Capital Ltd. He established Bajaj capital about half a century ago. He was a very talented person and had past experience and knowledge in the field of finance. They have more than 220 branches in

more than 100 cities. Investment guidance has affected more than 10 million people in India. Bajaj Capital has published around 800 articles in various business magazines and newspapers all Over in India. Mr. Rajiv Bajaj is the vice president and co-chairman of Bajaj Capital. He is an excellent financial planner and he has played a key role in the growth of this company. He has brought innovative ideas into the business.

- Recognizing and addressing the needs and expectations of the complaints process.
- Enhancing client satisfaction by fostering a client-centric environment.
- Auditing of the complaints-handling process.
- Reviewing the effectiveness and efficiency of the complaints -handling process.
- Analyzing and evaluating complaints in order to improve the product and customer service quality.
- Providing complaints with an open, effective and easy-to-use complaints process.

2.4 Workflow Model

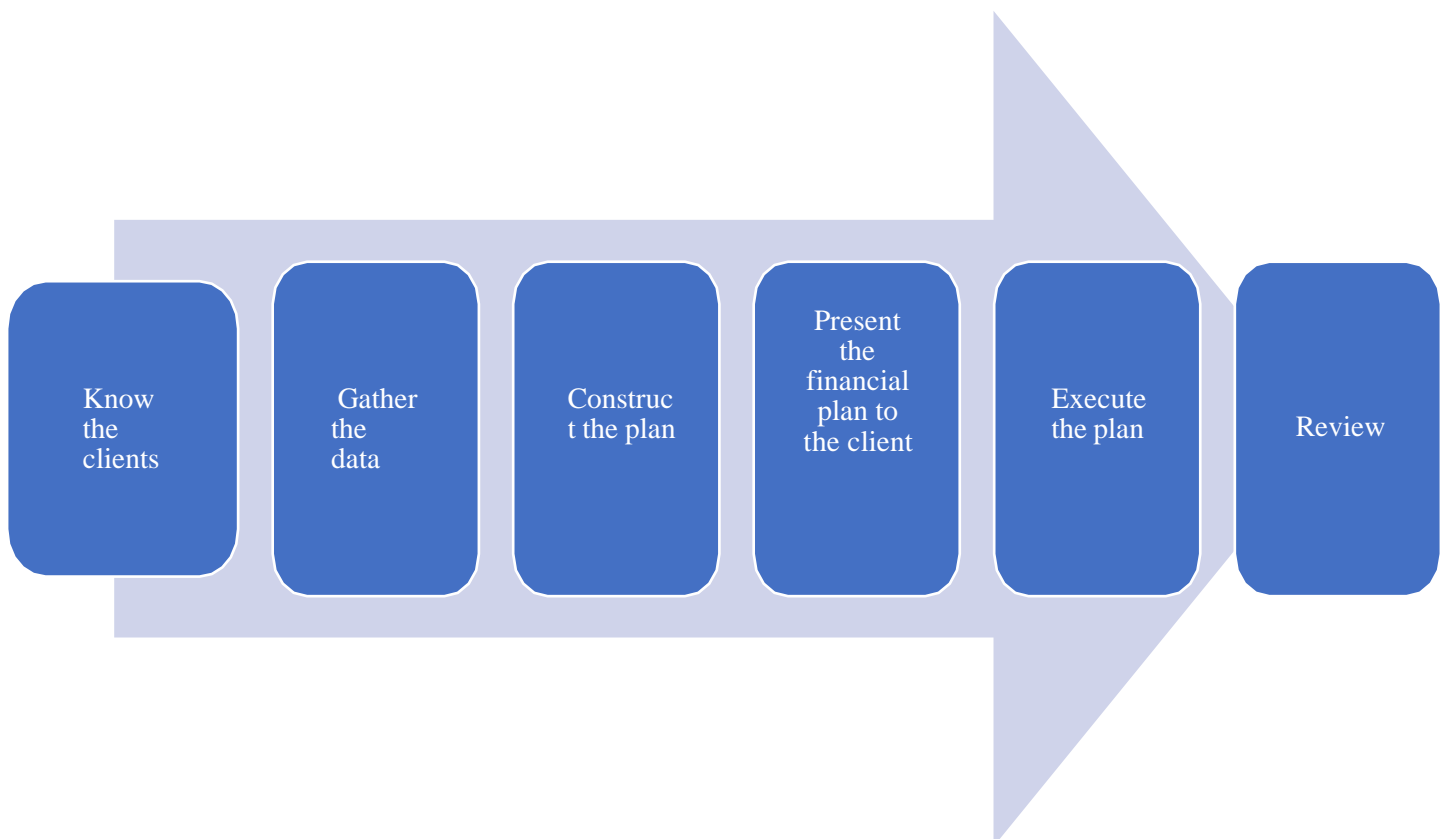


Fig. No. 2.1: Workflow Model

1. Identify the Clients

In the Bajaj capital the financial planner is taking all the personal details of his prospective client like his profession/occupation, educational background, family background, details of dependent family members and personal contact details like emailIds, mobile phone number, land-line number, current address and permanent address. Likewise, financial planners also introduce themselves by sharing professional background, experience, contact details and terms of engagement.

2. Gather the Data

After creating a rapport with the client, the planner should ask for details of existing investments, ongoing insurance policies and the list of future financial goals including the time horizon and recommend funds required to achieve those goals comfortably. Financial planners may also use a risk profiler to find out the risk appetite, as it will help them in recommending the right set of solutions commensurate with client's risk-taking ability.

3. Construct the Plan

Financial planner should proceed to construct a detailed financial plan, which should include a cash flow forecast and a snapshot of future scenarios. Generally, financial planners use time tested software to compile the plan. It is generally a document having graphs and descriptions.

4. Present the Financial Plan to the Client

This is a crucial step in which a financial planner should ensure that the financial plan created by them is clearly understood by the client. They are using simple language and avoiding jargon to ensure that the client is very confident as to how the financial plan will work for the accomplishment of his various upcoming goals. The plan should preferably be presented to both the spouses together so that both the husband and wife are involved in the process.

5. Execute the Plan

Every financial plan will have several recommendations around investments in a few select mutual fund schemes or bonds and suitable life insurance and health insurance policies. Financial planners must execute the recommendations prudently and in the best

interests of the client.

6. Constantly Review the Plan

After a plan has been implemented, it is imperative that the same is reviewed at regular intervals, which may be twice a year or quarterly. Clients' financial circumstances may keep on changing and hence it is important that financial plan is continuously monitored and changes made as and when required.

2.5 Product/Service Profile

Bajaj Capital Limited, a financial services company, provides investment advisory and financial planning services to individual investors, corporate houses, institutional investors, non-resident Indians, and high net worth clients in India. The company also distributes various financial investment products

Investment Advisory Products are:

1. Mutual funds
2. Bonds
3. Fixed Deposits
4. General Insurance
5. Life Insurance
6. Govt. Savings Schemes
7. Pension Schemes
8. Tax Saving Schemes

1. Mutual Funds

A mutual fund is the trust pool savings of a number of investors who share a common financial goal. Mutual Funds are among the hottest favorites with all types of investors, investing in mutual funds ranks among one of the preferred ways of creating wealth over the long term. In fact, mutual funds represent the hand-off approach to entering the equity market. There are a wide variety of mutual funds that are viable investment avenues to meet a wide variety of financial goals.

Benefits of Mutual Funds:

- Security
- Conveniences
- Existing folio mapping
- Quick SIP registration
- RM assisted
- Single family login
- Multiple payment modes
- Portfolio reports

2. Bonds

Bond refers to a security issued by a company, Financial Institution or Government, which offers regular or fixed payment or interest in return for borrowed money for a certain period of time. It is a legal debt obligation. Failure to make payment as required can result in legal recourse by the holders of bonds. It is a type of security instrument used to raise capital by an issuing party.

Types of Bonds:

- Tax Free Bonds
- Floating Rate Savings bonds
- Capital Gain Bonds
- Non-Convertible Debentures

3. Fixed Deposits

The deposits made by investors in companies that earn a fixed rate of return over a period of time are called company Fixed Deposits. Along with manufacturing companies, financial institutions and Non-Banking Finance Companies (NBFCs) also accept these deposits.

Bajaj Capital Financial Services Limited (BCFSL) only acts as a mediator or intermediary between its clients/customers and the principal company inviting and accepting Fixed Deposits or any other financial instruments/product/services. Neither BCFSL nor its employees, directors, agents etc., are responsible for the information provided by or acts of the principal company and shall not be liable, legally or otherwise,

under any circumstances in respect of any deficiencies in the product and services offered by the principal company.

Benefits of Fixed Deposits:

- **Higher Interest Rate:** The rate of interest is 2-4 percent high, as compared to the interest rate offered by banks on fixed deposits.
- **Regular Income:** Depending on the scheme, investors have the option to receive interest at monthly/quarterly/yearly intervals.
- **Lock-in Period:** The minimum lock-in period for most of the schemes is six months, i.e., investors can withdraw their money post six months, anytime.
- **TDS:** TDS is not applicable if interest earned is equal to or less than 5,000 for a year in a single company.

4. General Insurances

General insurance comprises insurance of property against fire, burglary etc, personal insurance such as Accident and Health Insurance, and liability insurance which covers legal liabilities. There are also other covers such as Errors and Omissions insurance for professionals, credit insurance etc. Non-life insurance companies have products that cover property against Fire and allied perils, flood Storm and inundation, earthquake and so on. There are products that cover property against burglary, theft etc. the non-life companies also offer policies covering machinery against breakdown, there are policies that cover the hull of ships and so on.

The Various General Insurances

☐ **Health Insurance**

Health insurance is wealth and a Mediclaim Policy is the best way to insure it. Mediclaim is the best solution that you can use to cover up all medical expenses. Health insurance (popularly known as Mediclaim policy) offers protection from unexpected medical emergencies, providing financial support. Health insurance therefore, can be a source of support as it takes care of the financial burden your family may have to go through. It will help you tackle such situations with ease by providing you with timely and adequate medical care.

☐ **Motor Insurance**

Motor insurance is a wide comprehensive cover designed to provide protection from loss of car or damages to the car giving a secured driving.

Motor Insurance Covers:

- Own damages
- Depreciation reimbursement
- Loss of personal belonging
- No claim bonus protection
- Repair of glass, fiber, plastic and rubber parts
- Key replacement
- Legal liability of insurance towards third party personal injury and property.

☐ **Overseas/Travelling Insurance**

Overseas Mediclaim policy is the basic requirement when one travels abroad, either it's for business, sight-seeing, shopping or pleasure. It is a single policy which covers all unforeseen risks medical when one is in a strange place.

Coverage of Travelling Insurance:

☐ **Medical Expenses**

It takes care of your medical expenses due to accidents and sickness while traveling so that you can concentrate on better things like enjoying the holiday.

☐ **Baggage Delay**

Compensation for reasonable expenses incurred for purchase of emergency personal effects due to delay in arrival of checked in baggage, whilst overseas.

☐ **Personal Liability**

Compensation for damages to be paid to a third party, resulting from death, bodily injury or damage to property; caused involuntarily by the insured.

☐ **Baggage Loss**

Compensation for the loss of checked in baggage.

❑ **Loss of Passport**

Compensation for expenses incurred in obtaining a duplicate or new passport.

❑ **Personal Accident**

Accidents do not happen when you are driving a car, or away on a vacation. It may happen anytime and anywhere. Considering that modern day life is so dangerous, a personal accident policy is a solution to such vagaries of life. It's a benefit policy.

❑ **Marine Insurance**

A contract of marine insurance is an agreement whereby the insurer covers against losses incidental to marine adventure.

There is a marine adventure when any insurable property is exposed to maritime perils i.e., perils consequent to navigation of the sea. The term 'perils of the sea' refers only to accidents or casualties of the sea, and does not include the ordinary action of the winds and waves. Besides, maritime perils include, fire, war perils, pirates, seizures and jettison etc.

Four Types of Marine Insurance:

❑ **Hull Insurance**

Covers the insurance of the vessel and its equipment i.e., furniture and fittings, machinery, tools, fuel, etc. It is affected generally by the owner of the ship.

❑ **Cargo Insurance**

Includes the cargo or goods contained in the ship and the personal belongings of the crew and passengers.

❑ **Freight Insurance**

Provides protection against the loss of freight. In many cases, the owner of goods is bound to pay freight, under the terms of the contract, only when the goods are safely delivered at the port of destination. If the ship is lost on the way or the cargo is damaged or stolen, the shipping company loses the freight. Freight insurance is taken to guard against such risk.

❑ **Liability Insurance**

Is one in which the insurer undertakes to indemnify against the loss which the insurer may suffer on account of liability to a third party caused by collision of the ship and other similar hazard.

❑ **Critical Illness**

Critical illness is a condition that threatens life. The cover which protects against it is

known as a critical illness cover. It's also known as dread disease insurance. It is either offered as a rider or as an add-on to one's health insurance policy or can be purchased as a standalone plan.

5. Life Insurance

Insurance planning is one of the most important pillars of financial planning. This is because life insurance is the only tool which can full-fill financial commitments in case of commitments in case of untimely death of the bread earner of the family. Thus, having an appropriate life cover is important.

Life Insurance Planning Required:

- **Increasing Liabilities:**

People today prefer to take loans to fulfill their needs, instead of waiting to save for the future. Hence, in your absence, your family needs to take care of this loan.

- **Nuclear Family Structure:**

Earlier, people could depend on their extended joint family system to take care of their near and dear ones in their absence. However, the share of families with more than 5 members has come down from 64% in 1990 to 56% in 2005 and is expected to decrease further.

- **Increasing Lifestyle Diseases:**

People these days are prone to many diseases as a result of which the longevity of life is also reduced. Thus, it becomes important to take an appropriate risk cover and give your family a financially secure future.

- **Loans and Liabilities:**

Insurance policy also helps to cover up one's loans and liabilities. The house one buys for our shelter; we would never want to let it go. Thus, an insurance policy can help one to cover the loan liabilities.

6. Government Savings Schemes

Rajiv Gandhi Equity Saving Scheme (RGESS)

To inculcate saving habits in small investors, the government launched RGESS in 2012. The intention is to encourage people to invest in the domestic market, particularly the segment of investors who have never been exposed to the equity market. If you are an

Indian resident with an annual income of less than 12 lakhs and have never invested in an equity savings scheme. The scheme allows first time investors to invest up to Rs 50,000 in approved stocks and mutual funds. To invest in RGESS you have to open a demat account and submit a form that would designate the account to RGESS.

Benefits:

- Gains arising of investments in RGESS are allowed to withdraw after a year.
- you can easily invest in installments.
- Investors can avail the taxation benefits for three successive years.
- Dividends are tax free.

7. Pension Schemes

Bajaj capital providing National Pension Schemes National Pension System (NPS), also referred to as National Pension Scheme, is an easily accessible, low cost, tax efficient, flexible and portable retirement savings account. NPS allows an employee/subscriber to contribute on fixed/irregular intervals and later, on retirement, receive the accumulated wealth depending on the contributions made and the income generated from them.

Advantages of NPS

- Lowest charges for account opening, account maintenance and transaction
- 24*7 access for all online requests and user-friendly interface
- SMS and email alert facility from our CRA partner Fintech
- Immediate access to subscriber after PRAN generation
- SSL certified payment gateway

Pradhan Mantri Vaya Vandana Yojana:

It is an insurance policy-cum-pension scheme that provides security to senior citizens. This pension plan is provided by Bajaj Capital which caters to one's need for post- retirement financial planning.

8. Tax Saving Schemes

Equity Linked Saving Schemes (ELSS):

- ELSS is an open-ended equity mutual fund that provides investors with an opportunity

to grow their money along with tax saving benefits. This scheme invests 65% in equity related instruments that are notified to avail benefits under section 80C.

Benefits

- Y As the scheme invests in equity instruments, over a period of time it would help you grow wealth.
- Y We have a temptation to withdraw yield as soon as we can, ELSS come with a lock-period of 3 years forcing you to keep the amount invested for a minimum duration of 3 years. This would allow your money to grow considering market fluctuations.
- Y **Unit Linked Insurance Plan (ULIPs):**
ULIP is a kind of insurance plan offered to policyholders that acts as an insurance policy giving investors dual benefits under a single plan. The integrated plan offers features of both insurance and investment. By investing in a ULIP, policyholders will procure units at their net asset value (NAV) and make contributions towards other investment tools such as stock, bonds, and mutual funds.

Advantages

- Y It offers you a wide choice of investments, that based on your need and risk appetite you can invest in pure equity. Debt or select a right mix of both these funds.
- Y ULIPs encourage systematic investment. When you consider investment in small doses, over a time period it allows you to gain maximum benefits from rupee cost averaging and also saves your investment from market fluctuations.
- Y In most of the cases you can choose the life cover and desired premium amount. Also, with limited hassle you can switch funds as per your preference.
- Y ULIPs allow you to surrender the policy after completion of 5 years and you can withdraw the amount without paying any sort of penalty or additional charges.
- Y The investment is completely transparent. You can anytime view the details of your funds and can easily track its performance.

2.6 Ownership Pattern

1. Mr. Kuldip Kumar Bajaj - Chairman Emeritus and Chief Mentor
2. Mr. Rajiv Bajaj-Chairman and Managing Director

3. Mr. Sanjiv Bajaj-Vice Chairman and Managing Director
4. Mr. Rahul Parikh-Chief Executive Officer

2.7 Achievement/ Awards

- Bajaj Capital wins Indian Family Business Awards 2021
- ‘HALL OF FAME’ in the 10” CNBC TV 18 Financial Advisors Awards 2018-19
- Received the honor of being the ‘Best Performing National Financial Advisor Award-Retail several times earlier.
- CNBC- TV 18 Financial Advisors Awards 2012
- Best Wealth Management Company Award 2008-09
- Great Place to Work (2008,2009,2010 and 2012)

2.8 Future Growth and Prospects

Bajaj Capital is today a represented name in India primarily due to the strict adherence to values such as honesty and ethics. Qualities of sincerity, initiative, leadership are strongly encouraged and every team member is treated as a family member. Bajaj Capital Limited willing to expand their branches over India. Because of client satisfaction they are also getting more demand for their services. Bajaj Capital is a generally extending company and its future development and prospects can be comprehended by following:

1. Planning to focus on progressing applications through the play store.
2. It is planning to provide loans.
3. It plans to provide credit cards in the future.
4. It provides more employment opportunities.
5. Value driven organization.

CHAPTER-3

MCKENSY'S 7S FRAMEWORK AND PORTER'S FIVE FORCE MODEL

Mckensy's 7S Framework

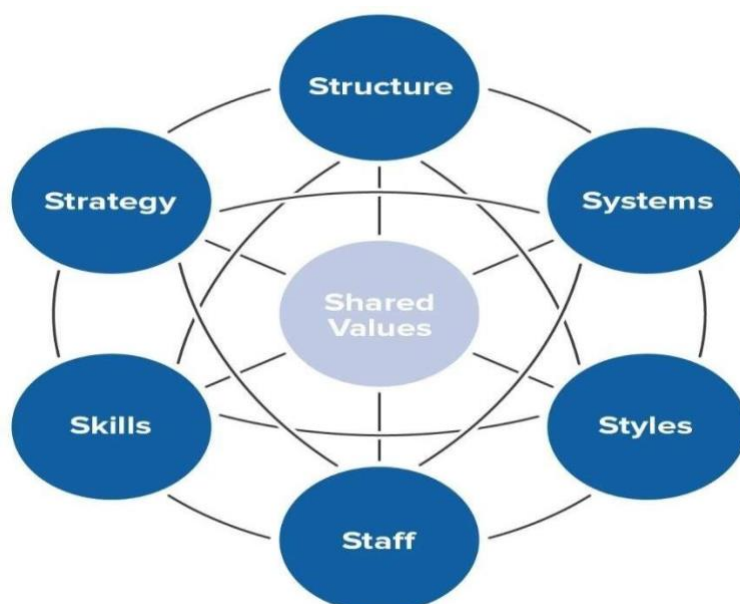
The McKinsey 7S Framework is a management model developed by business consultants Robert H. Waterman, Jr. and Tom Peters in the 1980s. This was a strategic vision for groups, to include businesses, business units and teams. The model is often used as an organization analysis tool to assess and monitor changes in the internal situation of an organization. The McKinsey 7s model consists of seven interrelated components that can be classified as “hard” and “soft”:

- “Hard” elements are easy to describe or recognize, and they can be influenced directly by management: statements of strategy, organizational charts and reporting lines, and formal processes and its systems are all instances.
- “Soft” aspects, on the other hand, are more difficult to characterize because they are less concrete and more culturally influenced. However, if the organization is to succeed, these soft features are just as crucial as the hard ones.

The model categorizes the seven elements into two they are:

Hard Element	Soft Element
Strategy	Shared values
Structure	Skills
Systems	Styles
	Staff

Fig NO: -3.1 Mckensy's 7S Framework



1. Strategy

- Corporate level strategy:

It is a unique plan or framework that is long-term in nature, designed with an objective to gain a competitive advantage over other market participants while delivering both on customer/client promises.

Bajaj Capital business have stepped towards digital transformation, leveraging advanced technologies and platforms.

- Business level strategy:

It examines how firms compete in a given industry. Bajaj Capital is focusing on the employees by providing better training in order to achieve the corporate strategy.

Competitive advantage for Bajaj Capital is they deliver services better than its competitors.

- Functional level strategy

It is the actions and goals assigned to various departments that support the business level and corporate level strategy. It involves various departments

- HR: Bajaj Capital adopted a new strategy in order to make the customer-buying experience seamless, Bajaj Capital is using cutting-edge technology.
- Finance: Strategy is a set of decisions and actions aimed at gaining sustainable competitive advantage and success. They are more focusing on the finance control and maintaining their funds.
- Marketing: Interacting with customers and working on feedback is one of the key strategies of the company. They also apply a strategy of promoting unique services to clients within the company. It involves decisions related to advertising a product and providing quality of services.
- Operational level strategy:

It involves the specific tasks carried out at the operational level. It is most directly related to the daily operations function to deliver the value proposition in a manner confident with the company's competitive strategy. In Bajaj Capital they promote its unique services to clients within the company.

2. Structure

Structure is division activity: integration and mechanism: structure represents the way business division and units are organized and includes information of who is accountable to whom. Structure is the organization chart of the firm. It is the

organization structure of reporting patterns.

It includes 1 Chairman, 1 Chief Financial Officer, 4 Managing Director for Bajaj Finance, Bajaj Allianz General Insurance and 3 President for Legal, Insurance and Business development. 1 CEO, 1 Group head for Strategy 1 Head for Group Risk Management.

Bajaj Capital has the following Functional organization structure.

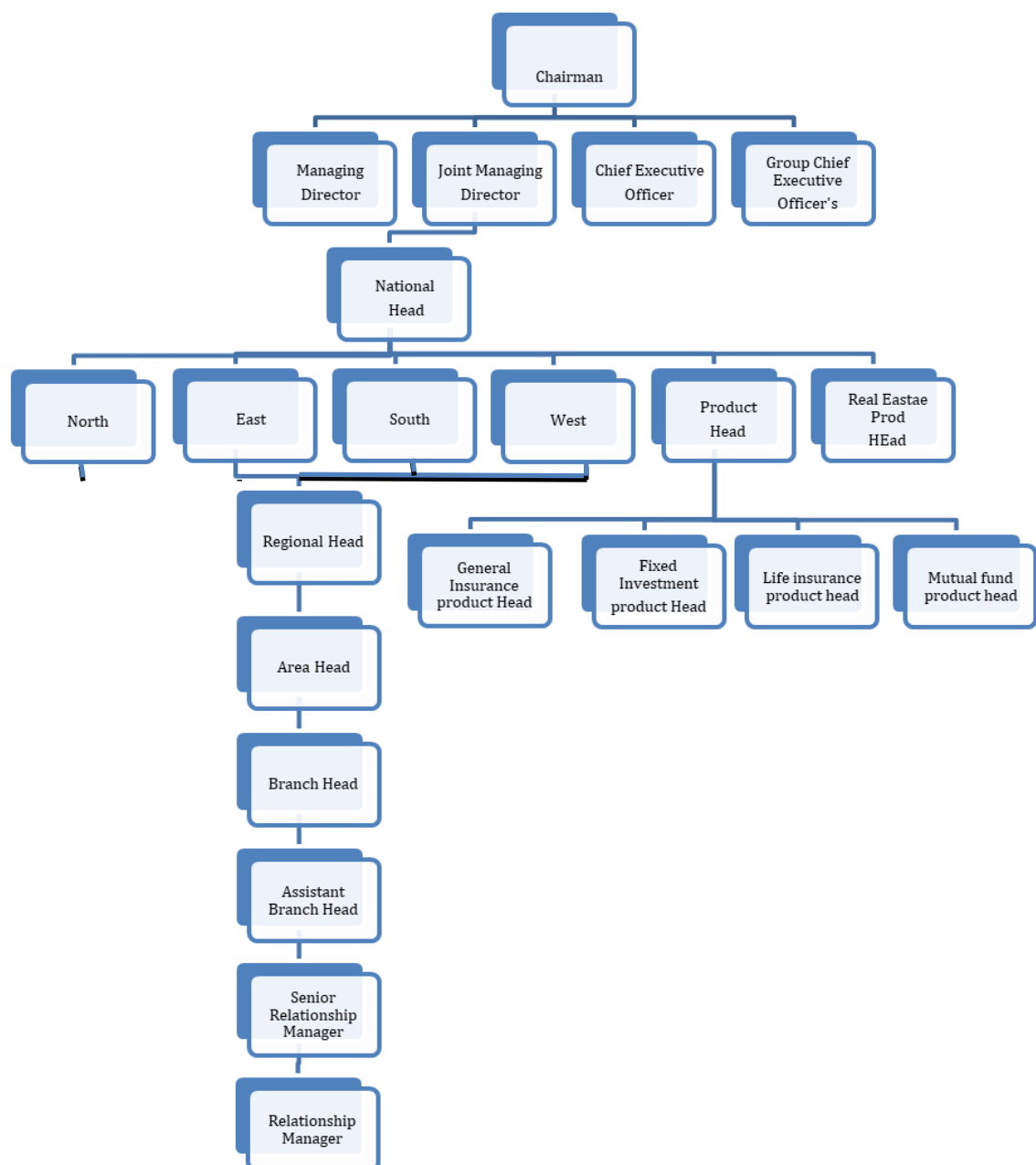


Fig.No.3.2: Organizational Structure

3. Systems

Bajaj Capital deal heralding a new era in digital payments space has specially designed tools and methods are controls for evaluating performance and goal attainment. These controls and measures are designed specially in different departments based on the nature of their task and responsibilities. They are using their own apps as well as websites to keep track of clients.

4. Shared Values

Bajaj Capital Ltd. has created a great place to work for all their employees by excelling on the 5 dimensions of a high-trust, high-performance culture— credibility, respect, fairness, pride and camaraderie.

5. Style

In Bajaj finance there is a proper leader structure and the style of leadership to their subordinates or employees are good and there is a proper professional way of managing the employees. Bajaj capital follows the transparent leadership style.

6. Staff:

Bajaj capital has a sufficient number of employees. Totally there are 1k-5k employees working all over India. Employees for different job roles and positions are hired internally as well as externally depending on the urgency and the skills level required. They are also providing incentives to the employees, so that they are most likely to better their performance and pledge their loyalty to company instead of another company. Besides, such incentives also promote job satisfaction and increase retention, which will directly affect the growth of a company.

7. Skills:

In Bajaj Capital they understand the skills of employees through the performance and they place the right person to the right place according to their skills and to the field where they are specialized for. They especially look at communication skills in their employees. Communication plays a very important role in this field as they have to deal with the clients so carefully. This helps the organization extract the skills from employees in a proper way and helps in the outcome of better performance.

Porter's Five Forces Model

The Five Force of Model was developed by Michael E Porter. Porter's Five Force is a framework for analyzing a company's competitive environment. Five forces analysis can be used to guide business strategy to increase competitive advantage.

Five forces that shape strategy, Michael Porters observed five forces that have significant impact on a firm's profitability in its industry. This five-force analysis today in the business world is also known as Porter five forces analysis.

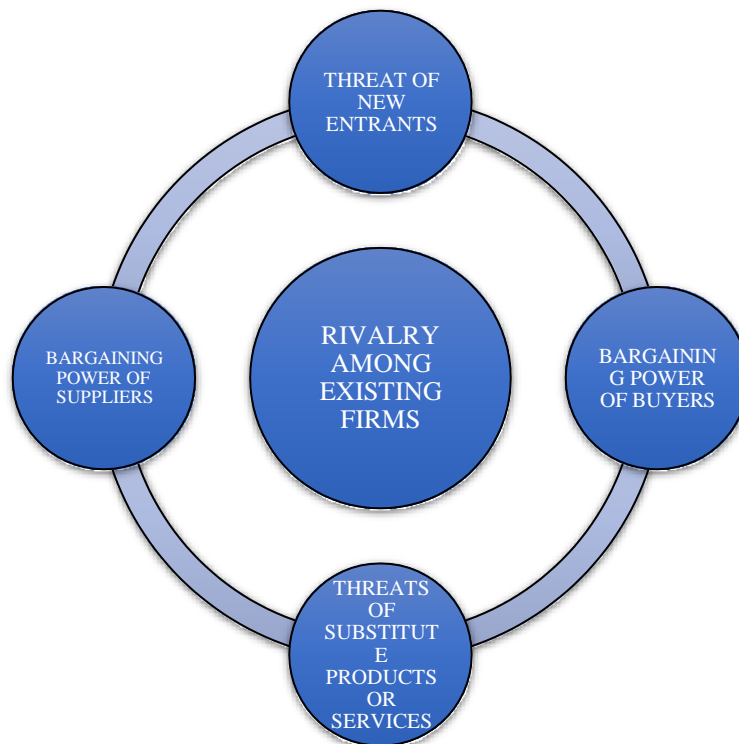


Fig No: 3.3 Porter's Five Force Model

- **Rivalry Among Existing Firms**

- ❖ It is a measure of the extent of competition among existing firms.
- ❖ In Bajaj Capital Ltd it has more than 58 years of existence they don't feel there is rivalry in a field
- ❖ But they are competing through their services
- ❖ Since there is a huge scope for acquiring new customers, everyday gets their share of business
- ❖ They also compete with individual financial advisor and bank
- ❖ So overall intensity of competitor is low.

Competitors of Bajaj Capital Limited are

- Geojit Financial Services
- Blue-chip
- Mothilal Oswal
- JM Finance
- Way2Wealth
- NG Brokers

- **Threat of New Entrants**

- ❖ It is the risk a new competitor creates for current companies within an industry
- ❖ New business model of mobile app is a threat for the Bajaj Capital
- ❖ Since they can do the transaction faster but in their advisory field relationship is equally important to select the funds
- ❖ Drafting business without advisory is a threat to their business
- ❖ Hence the threat of new appears to be medium

- **Bargaining Power of Buyers**

- ❖ It is the pressure that clients can put on businesses to get them to provide higher quality products, better consumer service, and or lower prices
- ❖ When the client approaches this company and they fail to deliver good services, the client has an option to change the company
- ❖ Individual needs
- ❖ Loyalty of clients
- ❖ In this company bargaining power of buyer will be low

- **Bargaining Power of Suppliers**

- ❖ It is the pressure that suppliers can put on companies that raising the price, lowering their quality or reducing availability of their products.

The products that suppliers provide are fairly standardized, less differentiated and have low switching cost. This makes it easier for buyers like Bajaj Capital Ltd. to switch suppliers. This makes the bargaining power of suppliers a stronger force within the industry.

- **Threat of Substitute Products/Services**

- ❖ It is like companies are concerned that substitute products or services may displace their own.
- ❖ Bajaj Capital is also facing challenges from the banks as the general public prefer local banks to invest rather than any institutions.
- ❖ In Bajaj Capital it deals with various products like Mutual Funds (MF), General Insurance (GI), Fixed Investments (FI), & Life Insurance (LI) and the choice and selection is more in MF and the liquidity allowed in Mutual Fund is a threat to other products and also upgrades to online platform will get more selection than buyers.

CHAPTER -4

SWOT ANALYSIS

It is a strategic planning and strategic management technique used to help a person or organization to identify strengths, weaknesses, opportunities, and threats related to business competition or project planning. It is sometimes called situational assessment or situational analysis.

SWOT analysis can help you challenge risky assumptions and to uncover dangerous blind spots about the organization's performance. If we use it carefully and collaboratively, it can deliver new in-sights on where your business currently is, and help you to develop exactly the right strategy for any situation.

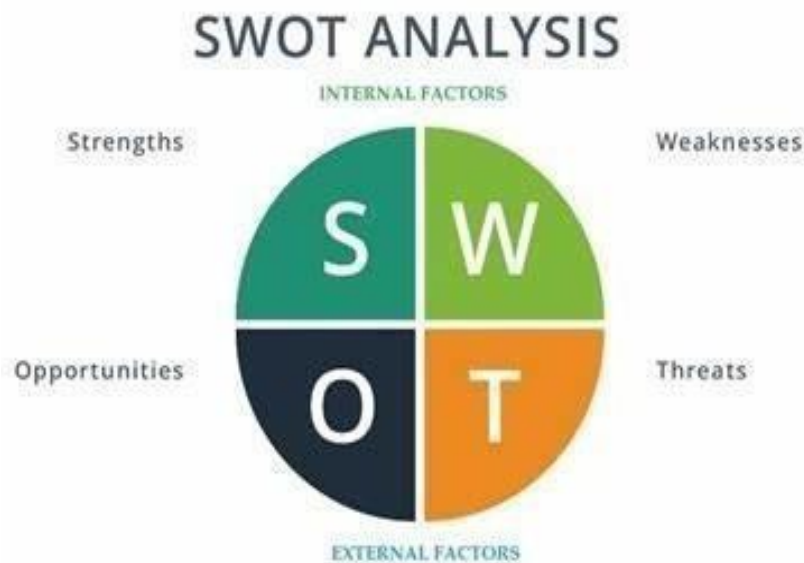


Fig No: 4.1 Swot Analysis

Strength

The strength of Bajaj Capital looks at the key aspects of its business which gives it competitive advantage in the market. Some important factors in a brand's strengths include its financial position, experienced workforce, product uniqueness and intangible assets like brand value.

Strength of Bajaj Capital Limited are:

1. Diverse range of financial products.
2. Known for transparent functioning
3. Have over 200 branches across states.

4. State of art I.T solutions for customers like “just trade”
5. Innovative financial plans with wider benefits.
6. It has a good reputation among customers also it enjoys a brand name and highly committed employees.

Weaknesses

The weaknesses of a brand are certain aspects of its business which it can improve to increase its position in the future. Certain weaknesses can be defined as attributes which the company is lacking or in which the competitors are better.

Weakness of Bajaj Capital Limited:

1. No branches in rural areas.
2. Lack of awareness due to low publicity.
3. Least importance to advertisements.
4. People with conservative mindsets prefer gold investment.
5. Difficult to convince illiterate people about financial concepts.

Opportunities

The opportunities for any brand can include areas of improvement to increase its business. A brand's opportunities can lie in geographic expansion, product improvement, better communication etc.

Opportunities Of Bajaj Capital Limited:

1. Earning urban youth looking for investment options.
2. More of branches can be started in rural areas
3. More advertisement and publicity can be given.
4. Programs can be conducted to bring awareness about various opportunities of investment.

Threats

The threats for any business can be factors which can negatively impact its business. Some factors like increased competitor activity, changing government policies, alternate products or services etc. can be threats.

Threats for Bajaj Capital Limited:

1. Entry of foreign financial firms in the Indian market.
2. Entry of new players and severe competition in the market.
3. Not very suitable for elderly people.
4. Stringent economic measures by the government and RBI.
5. Fear of losing money in general public
6. Other investment opportunities available like land, gold etc

CHAPTER-5

ANALYSIS OF FINANCIAL STATEMENT

Financial statements aim at providing financial information about a business enterprise to meet the information of the decision makers. Financial statements prepared by a business enterprise in the corporate sector are published and are available to the decision makers. These statements provide financial data which require analysis, comparison and interpretation for taking decision by external as well as internal users of accounting information. This act is termed as financial statement analysis. Financial statement analysis is the process of identifying financial strength and weakness of the firm property establishing relationships between the item of the balance sheet profit and loss account.

Financial statement analysis is the process of reviewing and analyzing a company's financial statements to make better economic decisions. "Analyzing of financial statement" according to Metcalf and Titard, "it is the process of evaluating the relationship between component parts of a financial statements to obtain a better understanding of the firm position and performance.

It is regarding as an integral and important part of accounting. The most commonly used financial statement analysis technique are comparative statements, common size statement, trend analysis, ratio analysis and cash flow analysis.

Profit and Loss Statement

The profit and loss statement are a financial statement that summarizes the revenues, costs and expenses incurred during a specified period, usually a fiscal quarter or year. The profit and loss statement are synonymous with the income statement. These records provide information about a company's ability or inability to generate profit by increasing revenue, reducing costs or both.

Profit and Loss statement of Bajaj Capital (Rs. In Crores)**Table No. 5.1 Profit and Loss A/C of Bajaj Capital**

Particulars	2021-22	2020-21	2019-20
Operating Income	4031.42	3092.01	2986.13
Net Sales	4031.42	3092.01	2986.13
Expenditure			
Employee Cost	340.81	245.15	210.16
Operating & Establishment Expenses	550.16	406.87	386.55
Administrative & Other Expenses	81.36	65.25	61.43
Provisions And Contingencies	450.69	355.67	310.05
Total Expenditure	1423.02	1072.94	968.19
PBIDT	2608.40	2019.07	2017.94
Other Income	103.62	92.82	86.81
Operating Profit	2712.02	2111.89	2014.75
Interest	1591.67	1220.73	1198.04
Depreciation	29.19	19.56	17.83
Profit Before Taxation & Exceptional	1091.16	871.60	798.88
Profit Before Tax	1091.16	871.60	798.88
Provision For Tax	372.15	280.29	250.23
PAT	719.01	591.31	548.65
Extraordinary Items	0.00	0.00	0.00
Adj To Profit After Tax	0.00	0.00	0.00
Profit Balance B/F	764.36	441.31	346.13
Appropriations	1483.37	1032.62	894.78
Equity Dividend (%)	160	150	135
Earnings Per Share	144.53	119.36	113.25
Book value	802.18	676.62	546.55

Balance Sheet

A balance sheet is one of four accounting financial statements. The other three being the income statement, state of owner's equity, and statement of cash flow. A balance sheet explains the financial position of a company at a specific point in time. As opposed to an income statement which reports financial information over a period of time, a balance sheet is used to determine the health of a company on a specific day. The balance sheet uses the accounting equation to show a financial picture of the business on a specific day. In other words, a balance sheet lists of all the assets that a company owns as well as the debts owed by the company and the owner's interest or ownership share in the company.

The mathematical method used to create the balance sheet $\text{Assets} = \text{Liabilities} + \text{Owner's Equity}$

Balance Sheet Of Bajaj Capital (Rs. In Crores)

Table No. 5.2 Balance Sheet of Bajaj Capital

Particular	2021-22	2020-21	2019-20
Liabilities			
Total share capital	59.70	56.76	51.08
Total reserves	6543.11	5251.44	3825.55
Long-term borrowings			
Secured loans	550.90	669.50	744.40
Long-term trade payables	19.75	22.71	35.20
Long-term provisions	1404.47	1289.40	278.47
Unsecured loans	741.54	894.40	952.82
Deferred tax assets/liabilities	-71.92	-91.37	-102.45
Other long-term liabilities	19.28	21.16	26.93
Total non-current liabilities	2664.02	2805.80	1935.37
Current liabilities			
Trade payables	19.16	17.25	114.50
Other current liabilities	761.70	578.04	445.83
Short-term borrowings	55.25	42.47	115.33
Short-term provision	76.88	89.06	110.78
Total current liabilities	912.99	726.82	786.44

Total liabilities	10179.82	8840.82	6598.44
Assets			
Non-current assets			
Loans	7554.60	5462.44	5072.23
Gross block	386.45	277.19	312.71
Less Accumulated Depreciation	140.15	67.23	74.12
Net Block	246.30	209.96	238.59
Non-current investment	126.56	114.32	91.85
Total non-current assets	7927.46	5786.72	5402.67
Current assets loans & advance			
Cash & bank	1889.08	1600.05	964.57
Other current assets	88.54	78.80	61.88
Short-term loans& advance	274.74	120.31	114.46
Total current assets	2252.36	3054.10	1195.77
Total Assets	10179.82	8840.82	6598.44

Ratio Analysis

A ratio valuation is a quantitative calculation of records contained in the firm's financial statements. Ratio can be stated as percentages and proportions of figures. Ratio valuation is used to measure several elements of a firm's overall performance which contains its liquidity, profitability and solvency.

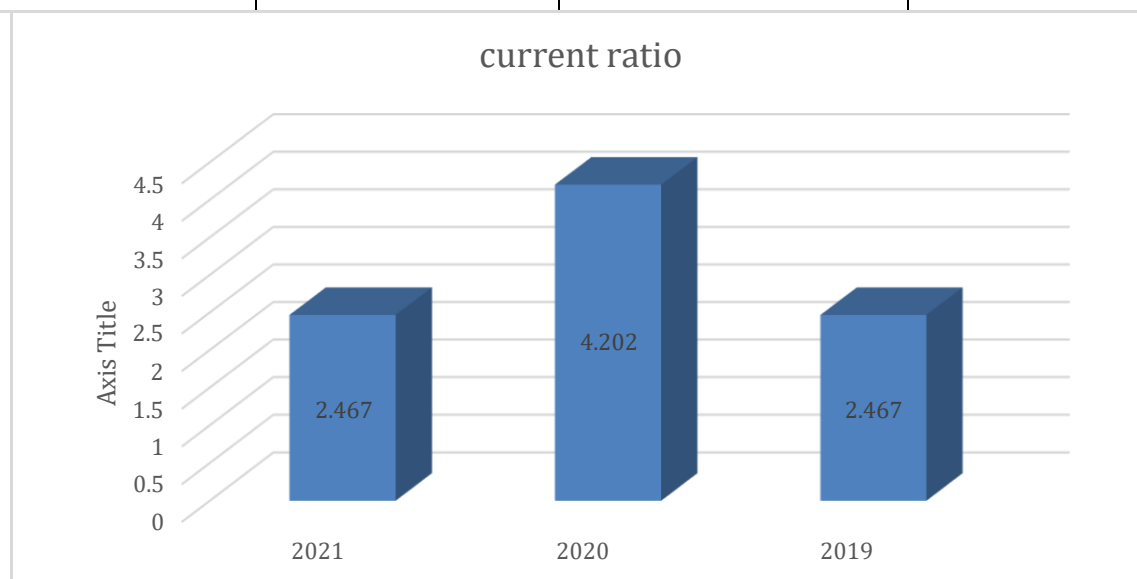
A. Current Ratio

It is referred as a working capital ratio or banker's ratio. Current Ratio expresses the relationship of a current assets to current liabilities.

Current Ratio = Current Asset / Current Liability

Table No.5.3 Current Ratio

Year	Current Assets	Current Liabilities	Current Ratio
2019-20	1195.77	786.44	1.520
2020-21	3054.10	726.82	4.202
2021-22	2252.36	912.99	2.467



Interpretation and analysis

From the above graph, the idle ratio 2:1 the current ratios for the years 2021, 2020 and 2019 are 2.467, 4.202 and 2.467 respectively. A higher current ratio is generally considered to be a positive sign, as it indicates that a company has a higher level of liquid assets relative to its liabilities.

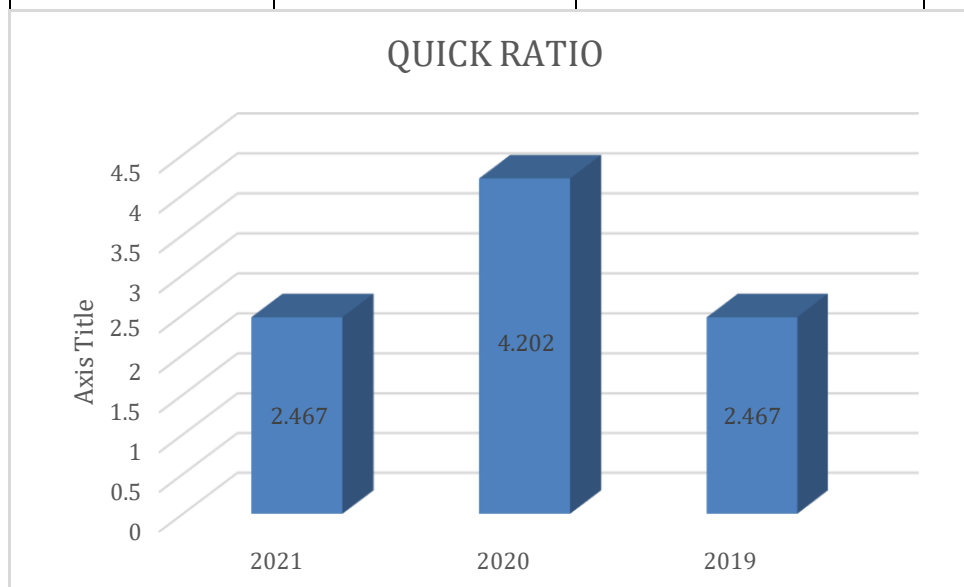
B. Quick Ratio/ Acid Test Ratio

The current ratio is generally used to evaluate an enterprise's overall short-term solvency or liquidity position but many times it is desirable to know the more immediate position or instant debt paying ability of a firm than that indicated by the current ratio for this Quick Ratio is used. It is relating the most liquid assets to current liabilities.

$$\text{Quick Ratio} = \text{Quick Asset} / \text{Current Liability}$$

Table No.5.4: Quick Ratio

Year	Quick Assets	Current Liabilities	Quick Ratio
2019-20	1195.77	786.44	1.520
2020-21	3054.10	726.82	4.202
2021-22	2252.36	912.99	2.467



Interpretation and analysis

In this case both current ratio and quick ratio are same because there are no stock and prepaid expenses. According to the table above the company's quick ratio for the financial year 2021-22 is 2.467, and for the year 2020-21 it was about 4.202, for the year 2019-20 it was about 1.520.

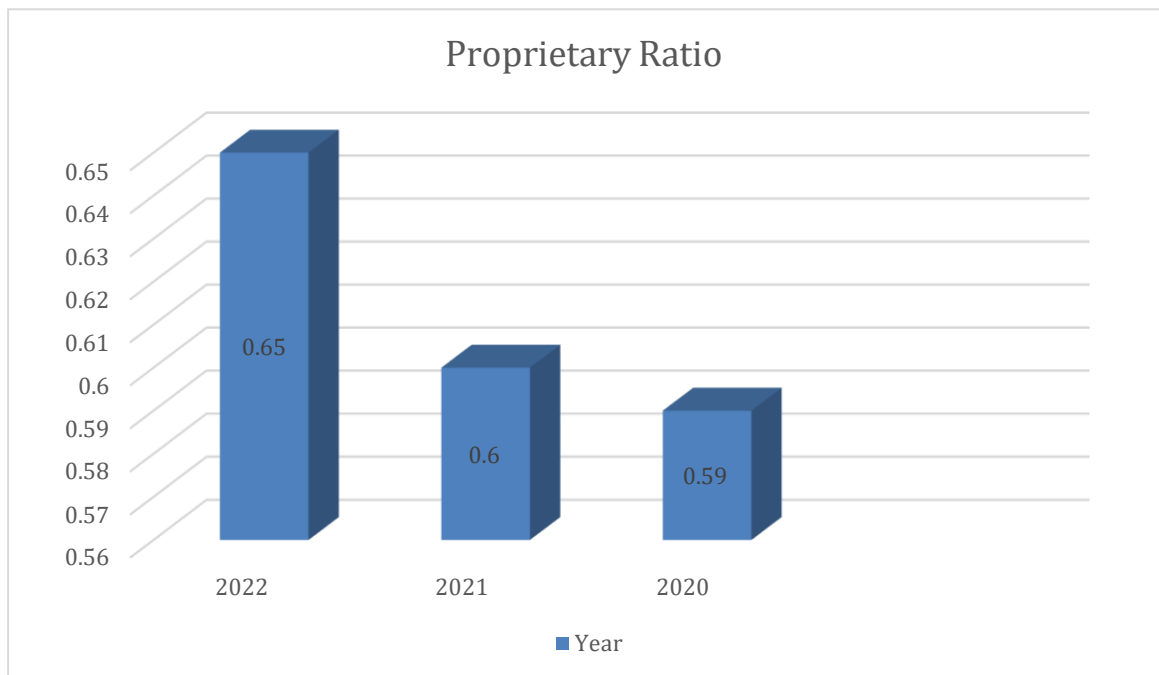
C. Proprietary Ratio

This ratio indicates the relationship between the net worth as proprietor's fund on the total assets. Proprietary ratio is a set of financial and credit strength of the business. It relates shareholders or proprietors fund to total assets. This ratio determined the long term or ultimate solvency of the company. This can be calculated by using the following formula.

$$\text{Proprietary Ratio} = \text{Shareholders Fund} / \text{Total Assets}$$

Table No. 5.5 Proprietary Ratio

Year	Shareholders Fund	Total Assets	Proprietary Ratio
2019-20	3876.63	6598.44	0.58
2020-21	5308.2	8840.82	0.60
2021-22	6602.81	10179.82	0.64



Interpretation and analysis

In the above graph, the proprietary ratio for the years 2019-20, 2020-21, and 2021-22 was 0.58, 0.60, and 0.64 respectively. This suggests that the company's financial performance improved over the years, as the proprietary ratio increased, indicating a greater proportion of ownership by the shareholders.

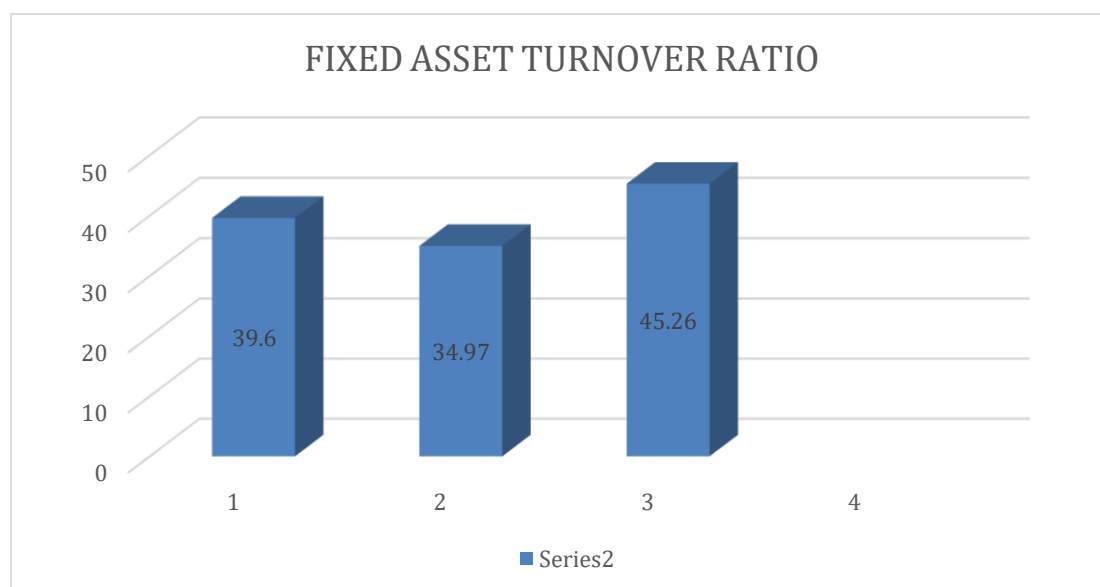
D. Fixed Assets Turnover Ratio:

Fixed assets turnover ratio compares sales revenue of the company to its fixed assets. The ratio explains about how effectively a company uses its fixed assets to generate revenue. It indicates productivity of fixed assets in generating revenues. Is a company having high ratio then it can be said that company is efficient at managing its fixed assets. The fixed assets turnover ratio is the most important ratio under ratio analysis.

Fixed Asset Turnover Ratio (%): Net Sales / Total Assets

Table 5.6 Fixed Asset Turnover Ratio

Year	Net Sales	Total Assets	Fixed Asset Turnover Ratio
2019-20	2986.13	6598.44	45.26
2020-21	3092.01	8840.82	34.97
2021-22	4031.42	10179.82	39.60



Interpretation and analysis

The values you provided show that the fixed asset turnover ratio for the period of 2019-20 was 45.26, meaning the company generated 45.26 units of revenue for every unit of fixed assets. For 2020-21, the ratio was 34.97, indicating that the company generated 34.97 units of revenue for every unit of fixed assets. In 2021-22, the ratio increased to 39.6, suggesting that the company's efficiency in using its fixed assets to generate revenue improved.

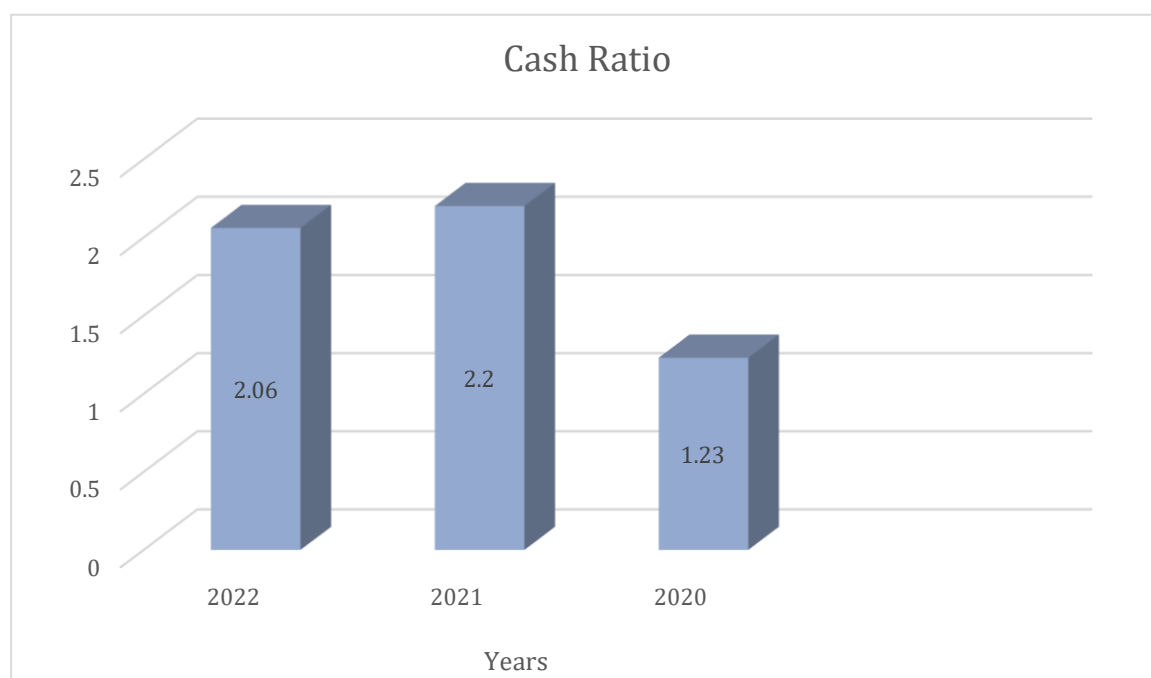
E. Cash Ratio:

Cash ratio is actually a liquidity ratio. Cash ratio measure's ability of an organization for paying their current liabilities by using the cash or which is equal to cash. It measures amount of cash a company have to satisfying short term liability.

Cash Ratio = Cash in Bank or Hand / Current Liability

Table No. 5.7 Cash Ratio

Year	Cash in Hand/Bank	Current Liability	Cash Ratio
2019-20	964.57	786.44	1.226
2020-21	1600.05	726.82	2.201
2021-22	1889.08	912.99	2.069



Interpretation and Analysis

The above table shows the cash ratio from the year 2021 and 2022. In the year 2021 the cash ratio is 2.069. And it started to decrease. If a company's cash ratio is less than 1, there are more current liabilities than cash and cash equivalents. It means insufficient cash on hand exists to pay off short-term debt.

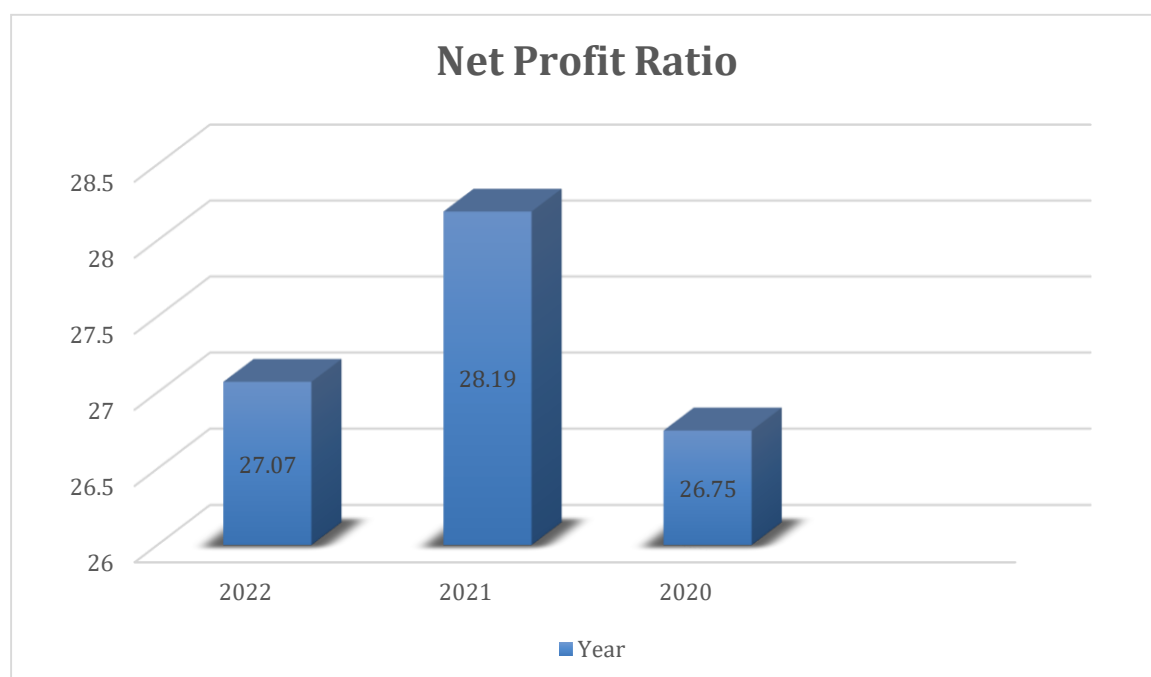
F. Net Profit Ratio:

Net profit ratio, also referred to as the Net Profit Margin Ratio, is a profitability ratio that measures the company's profit to the total amount of money brought into the business.

$$\text{Net Profit Ratio} = \text{Net profit} / \text{Sales} * 100$$

Table No. 5.8 Net Profit Ratio

Year	Net Profit	Sales	Net Profit Ratio
2019-20	798.88	2986.13	26.75
2020-21	871.60	3092.01	28.19
2021-22	1091.16	4031.42	27.07



Interpretation and Analysis

The above table shows the net profit ratio from the year 2020-22, when comparing the three years of ratio 2020-21 is having highest ratio of 28.19 which shows the earning profit of the firm is high. A high percentage means the firm did well in managing its expenses. But gradually decreased in the next year which shows the firm has not managed its expenses.

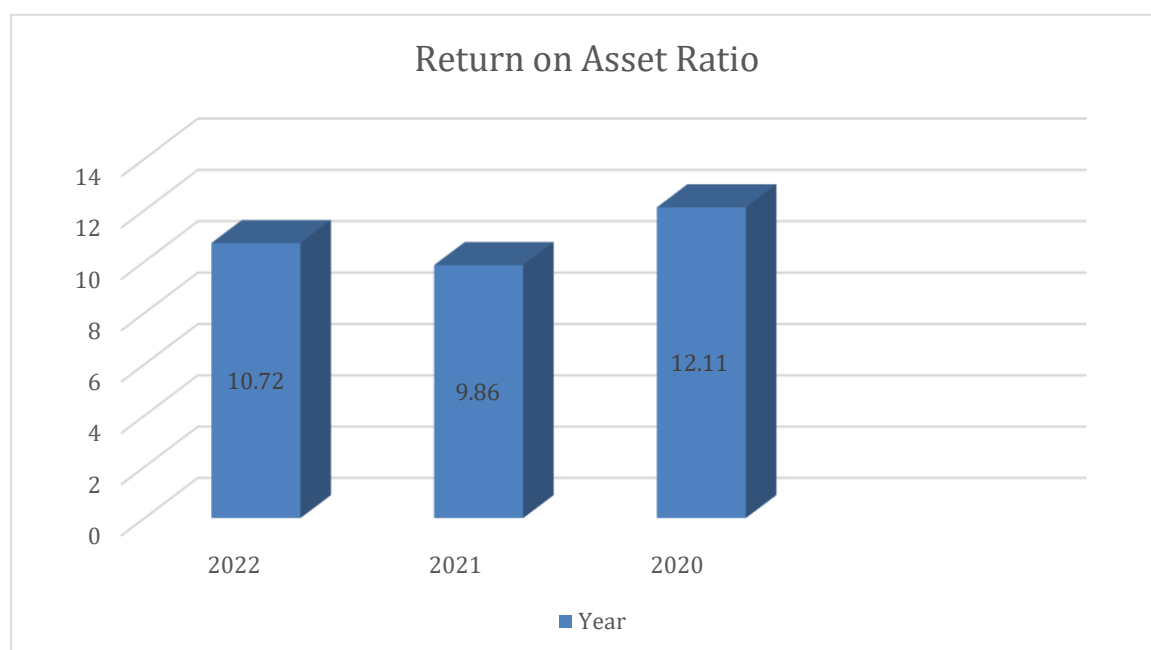
G. Return on Assets Ratio:

The Return on total assets ratio is obtained by dividing a company's earnings after tax by its total assets. This profitability indicator helps you to determine how your company generates its earnings and how you compare to your competitors.

Return on Assets Ratio=Net profit/Total Assets*100

Table No. 5.9 Return on Assets Ratio

Year	Net Profit	Total Assets	Return on Assets Ratio
2019-20	798.88	6598.44	12.11
2020-21	871.60	8840.82	9.86
2021-22	1091.16	10179.82	10.72



Interpretation and Analysis

Based on the information you have provided, the ROA for the years 2019-20, 2020-21, and 2021-22 was 12.11%, 9.86%, and 10.72%, respectively. A decrease in ROA from 12.11% to 9.86% from the year 2019-20 to 2020-21 suggests that the company was less efficient in generating profits from its assets in 2020-21 compared to the previous year. On the other hand, an increase in ROA from 9.86% to 10.72% from 2020-21 to 2021-22 suggests that the company improved its efficiency in generating profits from its assets.

CHAPTER-6

LEARNING EXPERIENCE

A work experience along with learning helps to understand things better. During the internship study they helps to know about different departments and their workflow in the organization. Always theory is different from practical. Understanding the practical aspects is an important part of professional career because it is stairs to success. The study provided a great experience in Bajaj Capital.

The financial services sector provides financial services for need base clients. It makes up one of the economy's most important and influential sectors. Financial services are a broad range of more specific activities such as banking, investing, and insurance. Companies in the financial services industry manage money. For instance, a financial advisor manages assets and offers advice on behalf of a client. The advisor does not directly provide investments or any other product, rather, they facilitate the movement offunds between savers and the issuers of securities and other instruments.

Bajaj Capital Limited has involved a strategy of interacting with different client, how to communicate with client and they are acted to run their account etc. In the Bajaj capital the financial planner dealing with different customers and enhances their satisfaction. There main purpose in helping people protect and grow their wealth, personalized investment solutions to individual investors, Non-Resident Indians, and high net worth clients, among others. Over the last 58 years, they have secured more futures and helped create more millionaires than any other firm in India. But their true pride lies in the trust that clients show towards the company. It is a personal relationship with each client that sets Bajaj Capital apart.

Being a part of the organization for four weeks has really provided practical work experience of an organization. This organization study was so interesting, educative and beneficial

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ANNEXURE

Profit & Loss Account of Bajaj Capital Ltd.(CR)

Particulars	2021-22	2020-21	2019-20
Operating Income	4031.42	3092.01	2986.13
Net Sales	4031.42	3092.01	2986.13
Expenditure			
Employee Cost	340.81	245.15	210.16
Operating & Establishment Expenses	550.16	406.87	386.55
Administrative & Other Expenses	81.36	65.25	61.43
Provisions And Contingencies	450.69	355.67	310.05
Total Expenditure	1423.02	1072.94	968.19
PBIDT	2608.40	2019.07	2017.94
Other Income	103.62	92.82	86.81
Operating Profit	2712.02	2111.89	2014.75
Interest	1591.67	1220.73	1198.04
Depreciation	29.19	19.56	17.83
Profit Before Taxation & Exceptional	1091.16	871.60	798.88
Profit Before Tax	1091.16	871.60	798.88
Provision For Tax	372.15	280.29	250.23
PAT	719.01	591.31	548.65
Extraordinary Items	0.00	0.00	0.00
Adj To Profit After Tax	0.00	0.00	0.00
Profit Balance B/F	764.36	441.31	346.13
Appropriations	1483.37	1032.62	894.78
Equity Dividend (%)	160	150	135
Earnings Per Share	144.53	119.36	113.25
Book value	802.18	676.62	546.55

Balance Sheet of Bajaj Capital Ltd.(CR)

Particular	2021-22	2020-21	2019-20
Liabilities			
Total share capital	59.70	56.76	51.08
Total reserves	6543.11	5251.44	3825.55
Long-term borrowings			
Secured loans	550.90	669.50	744.40
Long-term trade payables	19.75	22.71	35.20
Long-term provisions	1404.47	1289.40	278.47
Unsecured loans	741.54	894.40	952.82
Deferred tax assets/liabilities	-71.92	-91.37	-102.45
Other long-term liabilities	19.28	21.16	26.93
Total non-current liabilities	2664.02	2805.80	1935.37
Current liabilities			
Trade payables	19.16	17.25	114.50
Other current liabilities	761.70	578.04	445.83
Short-term borrowings	55.25	42.47	115.33
Short-term provision	76.88	89.06	110.78
Total current liabilities	912.99	726.82	786.44
Total liabilities	10179.82	8840.82	6598.44
Assets			
Non-current assets			
Loans	7554.60	5462.44	5072.23
Gross block	386.45	277.19	312.71
Less Accumulated Depreciation	140.15	67.23	74.12
Net Block	246.30	209.96	238.59
Non-current investment	126.56	114.32	91.85
Total non-current assets	7927.46	5786.72	5402.67

Current assets loans & advance			
Cash & bank	1889.08	1600.05	964.57
Other current assets	88.54	78.80	61.88
Short-term loans& advance	274.74	120.31	114.46
Total current assets	2252.36	3054.10	1195.77
Total Assets	10179.82	8840.82	6598.44

